

Montana DNRC Operating Guidelines for Incident Business Management

March 23, 2005

The Montana Department of Natural Resources and Conservation (DNRC) adheres to the policies and practices described in the Interagency Incident Business Management Handbook (IIBMH) and the Northern Rockies Coordinating Group (NRCG) supplements. Like most other states, Montana has its own rules and regulations which sometimes require deviations from standard Federal practices. These differences are documented in the supplements, blue pages, to the IIBMH. The supplements to Chapter 10 and Chapter 50 provide the majority of the information specific to DNRC, but each supplement should be reviewed and utilized.

An Incident Business Advisor (IBA) may be assigned to your incident and may work with a Federal IBA where multiple jurisdictions exist. The DNRC IBA has a similar role to the Federal counterpart but with additional responsibilities including providing direction for: cost reporting, obligations reporting, cost management and final fire package preparation.

This document is intended to highlight practices and procedures required by DNRC that may be unfamiliar to employees of other agencies. It is not all-inclusive. Please contact the DNRC IBA, Line Officer's representative or Line Officer when questions arise.

Line Officer: _____ Ph. _____

Incident Business Advisor: _____ Ph. _____

DNRC Land Office Business Mgt Coordinator: _____ Ph. _____

DNRC Fire Business Management Coordinator: (406) 542-4300

DNRC Fire Fiscal Officer: Sandi O'Bryant, (406) 542-4226

DNRC Budget and Facilities Management Bureau: Sue Clark, (406) 542-4204

DNRC Land Office Area Manager: _____

PROCUREMENT PRACTICES

Equipment Procurement

1. The majority of hiring and procurement is done through dispatch or expanded dispatch and buying teams so this is not a significant IMT issue. Never the less, it may be helpful if you understand that DNRC has a strong commitment to purchase and hire locally.

2. While we strongly support local hiring, we also strongly discourage smoke chasing. Please make every effort to assure that all resources reporting to incident base have been properly ordered and dispatched before assigning them to work.
3. Utilize the IIBMH for all equipment hiring practices.
4. DNRC does recognize federal contracting authority so any new contracts may be numbered consistent with the existing EERAs used by the dispatching organization. Either the local DNRC Land Office numbering system or local Federal numbering system may be used as appropriate.
5. Wherever possible all equipment hired should be photographed or video taped as a part of the pre- inspection process. A video walk-around with an audio description of points noted during the inspection, in addition to the standard paper forms, is particularly effective.
6. Normally, equipment will be hired at dispatch and sent to the incident base with a complete packet of hiring documentation. The ground support unit or finance section must assure the equipment has a current inspection since the packet may include only a pre-season inspection.

Purchase vs. Rent

Consult DNRC's Line Officer or assigned IBA

Local Purchasing

1. Authority: DNRC employees have broad purchasing authority in emergency situations (see DNRC Procurement Manual). Along with this authority comes the responsibility to utilize that authority in a businesslike manner, commensurate with emergency situation at hand. When time permits we should negotiate with vendors, use phone quotes or other means to secure the best value available for our tax dollars, particularly for large, high value orders.
2. Purchase cards: Many DNRC employees have been assigned State of Montana Master Cards (ProCards) that that may be used for purchasing. The use of these cards should be discouraged when buying teams or other procurement operations have been established to support the incident. This will help to maintain accountability and improve cost accounting and containment. Furthermore, most of these cards are limited to \$5000 per month.
3. Federal purchasing authorities, including use of Federal purchase cards by authorized personnel are recognized on DNRC incidents. Costs will be reimbursed in full or as agreed in any applicable cost share agreements.
4. Consult with responsible agency(s) and utilize existing purchase agreements.
5. Incident Management Teams are expected to utilize normal procurement channels and not conduct their own local purchasing operations.

Fuel Issues

1. Management of fuel issues can be difficult and results in excess cost to the state taxpayer as well as hardship for the Vendor when handled improperly. DNRC requires all Incident Management Teams to maintain daily records of fuel issues to facilitate timely payments to the vendor and to allow for an accurate accounting of fuel use by contractors.
2. DNRC recommends the use of the Fuel Issue Spreadsheet found on the NRCG Business Committee Web page, to track fuel issues.
http://www.fs.fed.us/r1/fire/nrcg/Committees/business_committee.htm
3. A fuel log may be used when it provides an adequate record.

Telephone Use Policy

1. Incident Management Teams will not provide telephone lines for incident personnel to make personal calls. Personal calls may be made using the incident phone system provided this use does not interfere with incident operations and long-distance calls are not billed to the incident. Collect calls, phone cards or personal calling cards may be used.
2. Cell phone use should be discussed with the Agency Administrator. Whenever possible, authorization of cell phone charges should be documented in writing at the time of ordering. Coverage by various cell service providers may vary, however DNRC will try to minimize expensive roaming charges where possible. DNRC may provide cell phones for team use rather than authorize the use of existing team phones.

Guidelines for Handling Claims on DNRC Incidents

When you receive a written request for compensation or reimbursement for damages, you have legally received a CLAIM. Treat it as such, and attempt to obtain all relevant documentation at the Incident. Include all documentation for unsettled claims in Claims portion of Incident Finance Package, clearly marked as “Claims - Requiring Further Action”.

Documentation may include, but is not limited to:

- claimant statements
- supervisor statements
- witness statements
- applicable IMT personnel statements (ie: GSUL, DIVS, OSC, etc)
- equipment inspection form OF296 – pre and post-use
- copies of relevant general message forms
- photos of damage
- receipts showing replacement value
- estimates for repair
- notes from conversations regarding claim

- documentation of any actions taken regarding claim settlement

All statements made by individuals must be in writing, and must include their signature, printed name, and home unit contact information.

Please note the distinction between an **actual claim** and a **potential claim**. A potential claim may include documentation or statements regarding an accident or incident you are aware of, for which you received either (a) no written request for compensation or, (b) you received written notice the individual or equipment suffered damages, but no request for compensation. Documentation for these cases should also be retained in the Claims portion of the Incident Finance Package, but clearly marked as “Potential Claim Documentation”.

Notify Line Officer, IBA, and FSC, CLMS, INJR, SO, as appropriate, of claims and potential claims.

Some contract claims may be settled on the incident, ie: minor vehicle repair, supplies replacement, etc. IMT’s are encouraged to settle minor claims if they can while on the incident, with approval from the Line Officer and/or IBA.

Types of Claims (see IIBMH, chp 20 and 70 for additional information)

1. Employee Claims – Involve loss/damage of employee property, should generally be settled by the employee’s home unit after he/she returns from the incident. Have claimant fill out either form AD-382 or DI-570 and return with any additional documentation to home unit. Replacement of some items may be necessary for the employee to continue working on the incident, and as such, items may be replaced by the incident and deducted on employee’s OF288. See DNRC 300 manual, section 370-9, for list of items required, permitted, or not recommended for employee possession in emergency response incidents and their maximum allowable replacement amounts.

2. Tort Claims – Involve alleged negligence or wrongdoing by government or its employees. Have claimant fill out form SF-95, Claim for Damage/Injury/Death. Notify Line Officer and/or IBA immediately upon learning of a possible tort claim. Line Officer must consult with agency legal staff and Risk Mgt/Tort Claims Division before any settlement is made.

3. Contract Claims – Involve loss/damage of equipment belonging to private contractors. There is no official form, but if contractor expresses the opinion that the government is responsible for damages sustained and should provide compensation, provide contractor with Contract Claims Worksheet, available in DNRC 300 manual, section 370-7, to assist in gathering relevant documentation while still at the incident. Keep Line Officer and/or IBA apprised of contract claim activity on the incident.

Note: Thorough pre-use and post-use inspections are often critical in the settlement of contract claims. Pictures or videos are especially helpful in documenting damages or lack thereof.

PROPERTY MANAGEMENT

Return of Local Purchase Items

1. The supply unit should carefully track locally purchased items. Those items normally stocked by the National Cache system and for which the State of Montana will be credited, may be returned to cache. All other locally purchased items must be separated and returned to the DNRC office with jurisdiction.

Property Accountability

1. Logistics section shall inventory accountable and sensitive property prior to transfer of command to an incoming team and transfer this property to the new team. Accountable and sensitive property includes all property individually tracked by serial numbers as well as cameras, computer equipment and GPS units that may not be individually tracked by serial number.

PERSONNEL MANAGEMENT PRACTICES

EFF VS. AD

1. Montana Emergency Fire Fighters (EFFs), whether Local Government Forces or State casual hires, are DNRC employees and their payroll documentation must be returned to the DNRC Unit that hired them for processing and payment. EFFs are paid by the State of Montana regardless of the jurisdiction of the Host agency. Local Government Forces, both personnel and equipment may **NOT** be converted to AD's or Federally contracted.
2. EFF pay rates. While the hourly EFF pay rate is less than the comparable AD rate, the actual daily rate for a 12 – 14 hr shift is comparable. EFFs receive time and ½ overtime pay after 8 hrs per day and after 40 hours worked at the base 8 rate. The incident finance section doesn't need to make any adjustments to timesheets to reflect overtime rates since DNRC's payroll staff will calculate the correct amount for payment. However, understanding EFF overtime status is useful when questions arise regarding the disparity between EFF and AD pay rates.
3. HIRING EFFs: While hiring of EFFs on the incident is strongly discouraged, if they are hired, all EFFs must complete the following forms and must be hired by DNRC personnel.
4. EFF Employment Form; W-4; I-9, Employment Eligibility Verification; Decedent's Warrant; PERS optional membership and election forms; Statement of Selective Service Registration Status; Confirmation of Receipt of DNRC Policies; SSA-1945; and Incident Behavior Form.

Use of Local Government Forces on County Assist Fires

1. Payment and jurisdiction of local government resources on County assist fires, multi-jurisdiction incidents, or where many local government resources are used can become very complex due to local mutual aid agreements, various levels of responsibility for different

types of fire service organizations and the lack of appropriate agreements. Cooperative County Fire Plans, other local agreements and local DNRC fire experts should be consulted to assure the appropriate pay status. Consider ordering a County Fire Advisor, or a Fire Service Organization Specialist to assist in complex situations.

Supplemental Foods

1. NRCG Supplemental food policies apply but, unlike Federal Agencies, DNRC is authorized to provide supplemental food and meals to employees while working extended hours at their normal duty station during fire emergencies.

Rest and Recuperation

1. DNRC employees, including EFFs are not eligible to receive paid leave for R&R upon return to their duty station regardless of IC recommendations or jurisdiction of the incident. They may receive R&R and remain in pay status while at the incident if deemed necessary for the safe completion of the assignment or prior to extension of an assignment.

Compensation for Injury

1. If an employee of DNRC, including EFFs, or any other Montana Agency is injured while assigned to your incident, the employee's incident supervisor is responsible for preparing a signed First Report of Injury form. The Finance Section must submit this form to the Montana State Fund (MSF) within 6 days of notification to supervisor of the injury. Refer to IIBMH Chapter 50 supplement and DNRC 300 Manual for additional information, instructions, and copy of the First Report form. *Failure to report the injury to MSF within 6 days can jeopardize the opportunity for coverage for the employee!*
2. DNRC employees **MAY NOT** utilize APMC (agency provided medical care) for medical treatment received on State incidents. Even though APMC may be established for Federal employees assisting us on the incident, all medical charges for State employees, including EFFs, must be handled through the Montana State Fund.
3. DNRC employees **MAY** utilize APMC for medical treatment received on **Federal incidents**. However, the finance section must send a first report to MSF along with a copy of the completed APMC form. This alerts MSF to the injury in the event follow-up is needed and provides them with the initial medical report.
4. Federal employees **MAY** utilize APMC for medical treatment received on State fires. This is a normal Federal benefit and the local Federal Agencies should already have it set up. Contact local federal personnel management staff to make the arrangements. They will pay the medical bills and recover those costs at a later date.

EQUIPMENT PAYMENT PROCEDURE

1. Shift tickets should be filled out carefully and signed by both the contractor (or agent) and government officer. They need to clearly identify the equipment, provide remarks that alert staff to damage or removal due to mechanical failures and give the start and stop times for the operational period unless the equipment is unserviceable or withdrawn. **DO NOT** record time as 0001-2400 even though the equipment is on a daily rate, unless they are ordered for 2 operational periods. The time on shift is also needed to properly invoice the first and last day, which are paid on an hourly basis for local government equipment; private contractors are paid ½ the daily rate when "under hire" for less than 8 hrs in a day.
2. Review the NRCG supplemental terms and conditions when invoicing equipment. They can be found in the Chapter 20 supplement to the IIBMH, Exhibit 17, and will define many of the terms used such as "time under hire" and help answer questions about payment for equipment support vehicles.
3. Completing the equipment use invoice properly is a high priority. Obtain a copy of the resource order to determine what equipment and the number of operators ordered as well as the time of hire. Also carefully review the EERA to determine the appropriate rate and the hiring status, whether it was hired wet, dry, operated or un-operated and to obtain the header information. **Be sure to include Tax ID or Social Security Numbers** on the use invoice.

The shift tickets will verify the time worked and include deductions or additions for items such as fuel used or mechanic's services. Finally, assure the invoice and all supporting documentation are signed by both government and contractor representatives as appropriate.

4. The payment package normally consists of a copy of the Resource Order with the selected equipment highlighted; a copy of the EERA, also with the selected equipment highlighted; pink (original) copies of the shift tickets; copies of receipts or invoices to verify deductions and additions; and the pink (original) copy of the use invoice, signed by both the contractor and the authorized agent for the state.

The person signing and reviewing the Equipment Use Invoice should be familiar with interpretation of EERAs. Montana DNRC payment personnel are typically not knowledgeable of EERA administration and will only catch arithmetic errors. Proper interpretation of the EERA and related documents needs to be assured at the field level.

5. The payment interval will be variable depending upon the circumstances. Most incidents last less than two weeks and the payment documents will normally be retained with the fire finance package and given to the agency at the end of the incident for processing. However we sometimes have to deal with long duration incidents or campaign type seasons. When these conditions occur, coordinate with the agency to establish a payment schedule that will equate to a two-week payment interval. Individual cases may require deviation from this

schedule; this is normal, however, a reasonably predictable schedule is beneficial for both DNRC and our contractors.

6. Distribution of Payment documents for processing will generally be conducted as follows.
 - a. National Contract resources – payment documents are forwarded to a national payment center as directed in the contract, regardless of the host agency.
 - b. Geographic Area Contract resources – payment documents are forwarded to a geographic area payment center or as directed by the contract.
 - c. Busses – payment documents are transmitted to the agency that prepared the EERA for that Vendor, typically the original equipment invoices are hand carried back by the bus drivers.
 - d. EERAs with contractors (not including busses) – Normally the payment documents are transmitted to the host agency for processing, regardless of the agency originating the EERA. Other arrangements may be made between agencies during busy fire seasons.
 - e. EERAs with local government forces from Montana – Always transmitted back to Montana DNRC for processing, regardless of the host agency.
 - f. EERAs with local government forces from other states – Normally transmitted back to their home state fire agency for processing; refer to their operating plan, EERA or their State Liaison.

Cost Reporting

1. ICARS should be used for incident cost analysis and reporting. Once ICARS is established it is quick and easy to use and it can provide accurate estimates and projections quickly. Since refinements to cost estimates, such as replacing an estimated rental rate with an actual rental rate or changing a date of hire, are retroactive, corrections or improvements to the database are very easy to accomplish. ICARS may be utilized as a cost estimation tool for partial FEMA reimbursement. Close coordination with DNRC regarding cost documentation will be necessary in FEMA incidents.
2. Obligation reports produced by ICARS can provide vital information to both the host agency and supporting agencies. However care must be taken during the data entry phase to assure resource costs accurately reflect each agency's financial obligation. Please consult with DNRC to assure the appropriate information is being provided.
3. Multi-jurisdiction incidents may require additional cost tracking measures to comply with cost share agreements. Close coordination with DNRC will be necessary.

Fire Finance Package

1. Chapter 40 of the IIBMH (white pages) outlines the contents of the fire finance package. Please follow this general format. Exhibit 5 details the contents of the procurement package; this is an excellent description of the package we desire. **Record copies of all payment documents must be retained** on the incident for all partial payments or final payments made

prior to the close of the incident and returned to the agency as a part of the complete package as directed.

2. The fire package is usually transferred to the agency at the close of the incident, including long incidents requiring the use of several IMTs. In such cases the initial and each successive team should prepare a well documented, organized and indexed finance package to present to the incoming team. A single, well-organized package will be maintained during the incident and presented to the host agency at the close of the incident. Other instructions may be given by the host agency in special circumstances.
3. The attached format is to be used to organize the fire package.

FEMA CONSIDERATIONS

1. What is FEMA support? The Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) supports State's with grants for fire management costs for some state-responsibility incidents. Their support is entirely financial. DNRC is not budgeted for fire suppression so to pay the costs, DNRC must borrow from other State agencies, other DNRC Divisions and the Governor's Disaster and Emergency Fund. Once costs are rolled up for a previous season, DNRC then goes to the legislature for a supplemental budget appropriation to repay the money borrowed. This can be a time consuming process and strains the State's financial resources.

FEMA requires that project worksheets (PW) be submitted before the State can be reimbursed the Federal grant share (75%) of the Fire Management Assistance Grant (FMA). Only actual costs can be submitted on a PW, which means ICARS cannot be used because it is a cost estimating system. All payments, including personal services, contracts, supplies and materials, travel, etc. must be verified for eligibility within the declaration period by reviewing actual payment documents.

2. When is FEMA Support likely? FEMA assistance may be provided " – when such help is deemed necessary to suppress any fire on publicly or privately owned forest or grassland, which threatens such destruction as would constitute a major disaster." The key phrase here is '**MAJOR DISASTER**'. Large wildland fires that pose a definite threat to life, infrastructure and property (other than trees) could be eligible FEMA support, if they would constitute a major disaster. However this is dependant to some extent on the overall nature of the emergency situation. The Florida fires of 1998 and the Montana fires of 2000 are examples of general declarations where all fires in the affected geographic area were supported during the eligible period. The Colorado Fires of 2002 were individual declarations rather than geographic zones and the 2003 fires in Montana were basically individual declarations with the exception that some were countywide declarations rather than a declaration on an individual incident.
3. What is "Eligibility"? All eligible work and related costs must be associated with the incident period of a declaration. FEMA has strict guidelines for the type of costs that can be

recovered. Normally suppression costs including support costs will be covered during the incident declaration period. However we need to be careful with the determination of support costs. It is tempting to declare such things as the August phone bill figuring that the eligible calls in July and September will make up for the ineligible calls during August. The theory may be sound, but it doesn't work for FEMA. They want to see the difference between the normal or "base" cost during the eligible period and the actual cost. Normally they will cover those extraordinary costs above the base.

The FEMA declaration determines the type of costs that are eligible, again depending upon the circumstances. In some cases pre-positioning of resources will be covered, in others, only those costs directly associated with suppression of a single incident are covered.

4. Documentation of eligible costs is an important step that can save the FEMA Cost Recovery Team (CRT) a lot of work. The FEMA CRT will review individual invoices so they need to be clearly marked to show the date the cost incurred, the incident name and number, the description of the cost incurred and clear dollar amounts. Additional documentation or notations are particularly important where the relationship of the bill to eligible costs isn't apparent. For example, vehicle repairs wouldn't normally be covered since FEMA normally covers the daily and mileage rate. However a repair bill for damage caused by a rolling rock on the incident probably would be covered, just note the reason for the bill. One problem that has surfaced with the 2003 FEMA Cost Recovery process is the absence of State of Montana Purchasing Card (ProCard) original documentation (invoices) in Helena. Miscoding of State SABHRS numbers is a real problem also. Because it is impossible to determine actual costs within the declared incident period on the Federal suppression billings, the State of Montana might make a special request to FEMA to use ICARS to determine a percentage of costs prior to the declaration and after the declaration period is closed. This may or may not be approved by FEMA, but in the case it is approved an accurate copy of ICARS is necessary from the declared fire package.

WEB BASED REFERENCES

- a. Interagency Incident Business Management Handbook (IIBMH)
<http://www.nwcg.gov/pms/pubs/pubs.htm>
Current supplements for IIBMH.
http://www.fs.fed.us/r1/fire/nrcg/Committees/business_committee.htm
- b. Fireline Handbook, PMS 410-1
<http://www.nwcg.gov/pms/pubs/pubs.htm>
- c. National Interagency Buying Team Guide
<http://www.nwcg.gov/pms/pubs/pubs.htm>
- d. National Interagency Mobilization Guide, NFES 2092
<http://www.nifc.gov/news/nicc.html> & click "Reference Materials"
- e. Military Use Handbook
<http://www.nifc.gov/news/nicc.html> & click "Reference Materials"

f. National Interagency Contracts for Caterers, Showers, Commissaries, Helicopters, Engines and Crews.

<http://www.fs.fed.us/fire/contracting/>

g. Oregon Engine and Crew Contracts

http://www.fs.fed.us/r6/ppm/fire_procurement.htm

h. National Interagency Buying Team Guide PMS 315

<http://www.nwcg.gov/pms/pubs/pubs.htm>

i. DNRC Incident Business Advisor Checklist

<http://www.dnrc.state.mt.us/forestry/dnrcfiresite/index.htm> & click “Download”

j. DNRC Operating Guidelines for Incident Business Management

<http://www.dnrc.state.mt.us/forestry/dnrcfiresite/index.htm> & click “Download”

k. Montana National Guard Operating Plan

<http://www.dnrc.state.mt.us/forestry/dnrcfiresite/index.htm> & click “Download”

l. NRCG Mobilization of Local Government Forces Guidelines

<http://www.dnrc.state.mt.us/forestry/dnrcfiresite/index.htm> & click “Download”

m. Montana Cooperative Fire Management Agreement (6 party Agreement)

<http://www.dnrc.state.mt.us/forestry/dnrcfiresite/index.htm> & click “Download”

n. DNRC Procurement and Contracting Manual

<http://www.dnrc.state.mt.us/employee/Purchasing.htm>

o. BLM Fireline Handbook (Red book)

<http://www.mt.blm.gov/fire/index.html>

p. Montana Indian Firefighters Plan (MIF)

http://www.fs.fed.us/r1/fire/nrcg/Committees/mif_committee.htm